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A LIMITED LIABILITY PARTNERSHIP

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(202) 955-9600

REC'D TN  
REGULATORY AUTH.

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OFFICE OF THE  
EXECUTIVE SECRETARY

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MANILA, THE PHILIPPINES  
MUMBAI, INDIA

July 31, 2000

00-00681

Mr. David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37219-0412

Re: Application of Valor Telecommunications CLEC of Tennessee, LLC  
for Certification of Public Convenience and Necessity to Provide  
Competing Local Telecommunications Services in the State of  
Tennessee

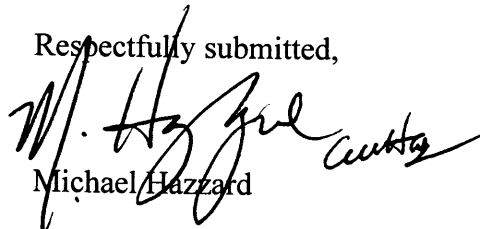
Dear Mr. Waddell:

Enclosed for filing with the Tennessee Regulatory Authority ("TRA") please find an original and thirteen (13) copies of the above-referenced Application of Valor Telecommunications CLEC of Tennessee, LLC. A check for the requisite \$25.00 filing fee also is enclosed.

Please note that one (1) of the Exhibits appended to the Application, **Exhibit E**, contains confidential and proprietary financial information. For this reason, **Exhibit E** has been submitted to the Commission *under seal* for the purpose of the TRA's *in camera* review.

Also enclosed is a duplicate copy of this filing. Please date-stamp the duplicate and return in the envelope provided. If you have any questions concerning this filing, please do not hesitate to contact me.

Respectfully submitted,

  
Michael Hazzard

Enclosures

REC'D TN  
REGULATORY AUTH.

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## Application of

**VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**  
**For a Certificate of Public Convenience**  
**And Necessity to Provide Competing**  
**Local Telecommunications Services**  
**In the State of Tennessee**

CLERK OF THE  
EXECUTIVE SECRETARY  
**Docket No.**  
00-20681

**APPLICATION OF VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Pursuant to TENN. CODE ANN. § 65-4-201 and to Chapter 1220-4-8-.02 of the Tennessee Regulatory Authority's ("T.R.A.'s") regulations for local telecommunications service providers, Valor Telecommunications CLEC of Tennessee, LLC ("VALOR CLEC Tennessee" "Applicant" or "Company"), by its attorneys, hereby respectfully requests that the TRA grant it the authority to provide facilities-based local telecommunications services in the State of Tennessee.

As demonstrated below, VALOR CLEC Tennessee's Application for a Certificate of Public Convenience and Necessity to provide competing local telecommunications services in the State of Tennessee ("Application") satisfies the requirements set forth in TENN. CODE ANN. § 65-4-201 and in Chapter 1220-4-8-.02 of the T.R.A.'s rules. The Applicant has confirmed that it will adhere to all applicable T.R.A. policies, rules, and orders. Moreover, the increased competition that VALOR CLEC Tennessee will bring to the State of Tennessee has the potential to reduce prices, create new jobs, and increase financial investments. As a result, VALOR CLEC Tennessee's Application is in the public interest and accordingly, should be granted by the T.R.A.

In support of its Application, VALOR CLEC Tennessee submits the following information:

**I. DESCRIPTION OF THE APPLICANT AND ITS CORPORATE AUTHORITY**

**A. CORPORATE INFORMATION**

1. VALOR CLEC Tennessee is a privately-held corporation organized under the laws of the State of Delaware on June 16, 2000. VALOR CLEC Tennessee was organized to provide basic and advanced telecommunications services to small and medium-sized business customers in the State of Tennessee and throughout the United States. A copy of VALOR CLEC Tennessee's Articles of Incorporation is appended hereto as *Exhibit A*. A copy of VALOR CLEC's Tennessee's Authorization to transact business in the State of Tennessee is appended hereto as *Exhibit B*.

2. VALOR CLEC Tennessee is headquartered at:

600 E. Las Colinas Boulevard  
Suite 1900  
Irving, Texas 75039  
(972) 373-1000

**B. OFFICERS**

3. The following is a list of VALOR CLEC Tennessee's officers:

<b>Anne K. Bingaman</b>	<b>President &amp; Chief Executive Officer</b>
<b>Kenneth R. Cole</b>	<b>Chief Operating Officer</b>
<b>John A. Butler</b>	<b>Executive Vice President &amp; Chief Financial Officer</b>
<b>Michael A. Page</b>	<b>Vice President of Business Development &amp; Secretary</b>
<b>Mark S. Zitz</b>	<b>Vice President of Customer Operations &amp; Assistant Secretary</b>

4. All of the above-referenced officers may be reached at the following address:

600 E. Las Colinas Boulevard  
Suite 1900  
Irving, Texas 75039  
(972) 373-1000

**C. REGULATORY CONTACT INFORMATION**

5. Questions and correspondence regarding this Application should be directed to:

Paul Pickett  
Vice President, Sales and Marketing  
600 E. Las Colinas Boulevard  
Suite 1900  
Irving, Texas 75039  
(972) 373-1005

and

Brad E. Mutschelknaus, Esq.  
Michael Hazzard, Esq.  
KELLEY DRYE & WARREN LLP  
1200 19th Street, N.W., Suite 500  
Washington, D.C. 20036  
(202) 955-9600

Copies of all correspondence also should be sent to:

Paul Pickett  
Vice President, Sales and Marketing  
Valor Telecommunications CLEC of Tennessee, LLC  
600 E. Las Colinas Boulevard  
Irving, Texas 75039  
(972) 373-1005

## II. SERVICES

### A. PROPOSED SERVICES TO BE OFFERED BY APPLICANT

#### 1. LOCAL EXCHANGE SERVICES

6. As a start-up company, VALOR CLEC Tennessee intends to operate as a provider of facilities-based local exchange telecommunications services to small and medium-sized business customers in the State of Tennessee and throughout the United States. VALOR CLEC Tennessee intends to offer a full array of local exchange services to small and medium-sized business customers in the State of Tennessee, including:

- **"Plain Old Telephone Service" ("POTS")** -- originating and terminating local calls/dial-tone service, provided over VALOR CLEC Tennessee's DBT network;
- **Data Transmission Services** -- digital data network services which utilize asynchronous transfer mode ("ATM") technology;
- **Switched Access Service** -- originating and terminating traffic between a customer premise and an IXC POP via shared local trunks using a local switch;  
and
- **PBX Trunking** -- carrying switched traffic between VALOR CLEC Tennessee's switch and the customer's PBX.

7. A description of VALOR CLEC Tennessee's network, which supports the integration, routing and transport of multiple services, may be found in VALOR CLEC Tennessee's Fact Sheet, appended to this Application as *Exhibit C*.

8. In addition to the above-listed local exchange services and in conformity with T.R.A.'s regulations, VALOR CLEC Tennessee, either directly or through arrangements with other service providers, will offer 911 Emergency Services, directory assistance and operator-assisted calling, and white pages listings. VALOR CLEC Tennessee's services will be comparable to those offered by the incumbent local exchange carrier, BellSouth Communications, Inc., as well as those offered by other competitive carriers in Tennessee.

VALOR CLEC Tennessee expects to enter into an interconnection agreement with BellSouth in the near future.

**B. PROPOSED SERVICE AREA**

9. Initially, the Company's proposed service area will be Nashville and its surrounding communities: Springfield, Greebrier, Pleasantview, Ashland City, Fairview, Franklin, Nolensville, Lavergne, Mt. Juliet, Old Hickory, Hendersonville, Goodlettsville, Kingston Springs. Eventually, VALOR CLEC Tennessee intends to provide service throughout the State of Tennessee.

**C. STATES IN WHICH APPLICANT IS AUTHORIZED TO PROVIDE TELECOMMUNICATIONS SERVICES**

10. As of the date of the filing of this Application, VALOR Telecommunications is authorized to provide incumbent local exchange services in New Mexico (6/20/00), Oklahoma (4/7/00) and Texas (6/15/00) and currently is in the process of filing competitive local exchange applications in Missouri, Arkansas, Colorado, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, and Texas for its state-subsidary CLEC operating companies. Neither VALOR CLEC Tennessee nor any of its parent or sister entities have been denied any requested authority to provide telecommunications services filed in any state, nor has any authorization to provide telecommunications services been revoked in any state.

### **III. MANAGERIAL, TECHNICAL AND FINANCIAL ABILITY OF APPLICANT**

11. In support of its application, VALOR CLEC Tennessee submits the following information to demonstrate that it has sufficient managerial and technological telecommunications experience, as well as the financial stability adequate to ensure its continued provision of quality local exchange telecommunications services within the State of Tennessee.

#### **A. MANAGERIAL AND TECHNICAL QUALIFICATIONS**

12. VALOR CLEC Tennessee is well qualified managerially, technically and financially to provide the facilities-based and resold competitive local exchange telecommunications services for which authority is requested in this Application. Although it is a start-up company, VALOR CLEC Tennessee has access to significant capital and substantial technical and managerial expertise. The Company's management team includes individuals with substantive experience in successfully developing and operating a telecommunications businesses. VALOR CLEC Tennessee also has adequate internal technical resources to support its Tennessee operations, and, to this end, maintains a number management with engineering background. This expertise in the telecommunications industry makes VALOR CLEC Tennessee's management team well-qualified to construct, operate and manage VALOR CLEC Tennessee's local exchange and interexchange networks in Tennessee.

13. Specific details of VALOR CLEC Tennessee's management and technical experience are appended hereto as *Exhibit D*, which also contains the biographies of the key management and operational personnel responsible for VALOR CLEC Tennessee's telecommunications services.

**B. FINANCIAL QUALIFICATIONS**

14. As a start-up company, VALOR CLEC Tennessee has no significant financial history, and currently is in the process of making network investments, as well as securing vendors for the equipment and construction of its network. Attached in *Exhibit E* are VALOR CLEC Tennessee's projected financial statements as well as an affidavit of VALOR CLEC of Tennessee's CEO, Anne K. Bingaman, demonstrating VALOR CLEC Tennessee's financial ability to provide local exchange service in Tennessee.

15. Please note that the information provided in *Exhibit E* is privileged and confidential and is being submitted *under seal* solely for the purpose of the T.R.A.'s *in camera* review.

**IV. REPAIR AND MAINTENANCE/CUSTOMER SERVICE INFORMATION**

16. VALOR CLEC Tennessee's customer service representatives are available to assist its business customers with service, maintenance and billing issues. Specifically, VALOR CLEC Tennessee's customer services representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by VALOR CLEC Tennessee and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general telecommunications matters. For service issues, customers may contact VALOR CLEC Tennessee's customer services department 24 hours a day, seven days a week, by calling them toll-free at (877) 520-5220. Customers wishing to communicate with a VALOR CLEC Tennessee customer service representative in writing can write to VALOR CLEC Tennessee at:

Valor Telecommunications CLEC of Tennessee, LLC  
600 E. Las Colinas Boulevard, Suite 1900

Irving, Texas 75039

Those persons specifically in charge of VALOR CLEC Tennessee's Tennessee operations are still to be determined; however, in the interim, all questions regarding the Company's Tennessee operations may be addressed to:

Paul Pickett  
Vice President, Sales and Marketing  
Valor Telecommunications CLEC of Tennessee, LLC  
600 E. Las Colinas Boulevard, Suite 1900  
Irving, Texas 75039  
(972) 373-1005  
(972) 373-1050 (facsimile)  
ppickett@valortelecom.com

**V. SMALL AND MINORITY-OWNED BUSINESS PARTICIPATION PLAN**

17. Please see *Exhibit F*.

**VI. INTRALATA TOLL DIALING PARITY PLAN**

18. Please see *Exhibit G*.

**VII. MISCELLANEOUS**

19. In accordance with Section VII of the T.R.A.'s *Check List for Competing Telecommunications Service Provider Applicants*, VALOR CLEC Tennessee provides the following information:

- (a) Notarized, pre-filed testimony will be submitted prior to the time the application is heard.
- (b) The Applicant will file its tariff subsequent to the T.R.A.'s approval of this Application.
- (c) In Section II.C *infra*, the Applicant has provided information regarding the status of its applications in all other states.

(d) The Applicant has not been involved in any pertinent mergers or acquisitions.  
The Applicant has no operating subsidiaries and has three parents companies. A copy of VALOR CLEC Tennessee's corporate structure is appended hereto as ***Exhibit H***

(f) The Applicant agrees to submit the Wireline Activity Report to the TRA on a monthly basis for its voice grade services.

(g) The Applicant will not require customer deposits.

(h) VALOR CLEC Tennessee Numbering Plan is appended hereto as ***Exhibit I***

(i) Tennessee customers will be required to incur the following non-recurring charges ("NRCs") for VALOR CLEC Tennessee's business services:

B1 NRC:	\$58.50
PBX Trunk NRC:	\$58.50
DID Station Numbers NRC (first 20 numbers):	\$480.00
DID Trunk Termination NRC:	\$50.00
Service Order NRC (each additional line/trunk):	\$31.00
Service Order Change Order NRC:	\$32.00
Line/Trunk) Change NRC:	\$15.00
Record Order NRC:	\$24.00

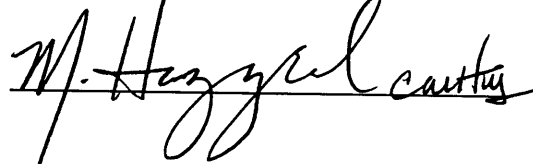
## **VIII. STATEMENT OF COMPLIANCE**

20. VALOR CLEC Tennessee agrees to comply with and abide by all applicable statutes and orders, rules and regulations entered and adopted by the T.R.A., including those specified in Chapter 1220-4-8-.02 of the T.R.A.'s regulations for local telecommunications service providers, as well as any that the T.R.A. may promulgate in the future. In accordance with those rules and where applicable, VALOR CLEC Tennessee agrees to provide the following services, either directly or via arrangements with other telecommunications carriers: (1) Access to 911 and E911 service; (2) white page directory listings and directory assistance; (3) consumer access to and support of the Tennessee Relay Center in the same manner as the ILECs; (4) Free blocking for 900 and 976 type service; and (5) Lifeline and Link-up services to qualifying citizens. VALOR CLEC Tennessee also agrees to comply with the T.R.A.'s rules regarding universal service, interconnection, equal access and basic service standards.

WHEREFORE, VALOR CLEC Tennessee respectfully requests that the T.R.A. grant to VALOR CLEC Tennessee a Certificate of Public Convenience and Necessity to provide competing local and interexchange telecommunications services in the State of Tennessee.

Respectfully submitted,  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC

By:

A handwritten signature in black ink, appearing to read "M. Hazzard", written over a horizontal line.

Brad E. Mutschelknaus, Esq.  
Michael Hazzard, Esq.  
KELLEY, DRYE & WARREN LLP  
1200 19th Street, N.W.  
Suite 500  
Washington, D.C. 20036

Its Attorneys

DATED: July 31, 2000

STATE OF TEXAS

)

)

ss

CITY OF DALLAS

)

VERIFICATION

Michael A Page, being first duly sworn, states on oath that he is Vice President –  
Business Development for Valor Telecommunications, LLC, and that the facts stated in the  
foregoing Application are true and correct to the best of his knowledge, information and belief.

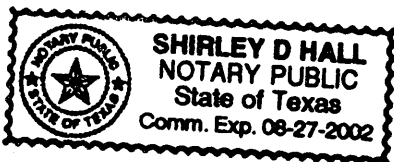
  
Michael A. Page

Subscribed and sworn

To before me this

26 day of July 2000

  
Notary Public



**EXHIBIT A**


**ARTICLES OF INCORPORATION**

*Office of the Secretary of State*

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I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC", FILED IN THIS OFFICE ON THE SIXTEENTH DAY OF JUNE, A.D. 2000, AT 9 O'CLOCK A.M.



  
\_\_\_\_\_  
Edward J. Freel, Secretary of State

3246209 8100

001309021

AUTHENTICATION: 0504831

DATE: 06-19-00

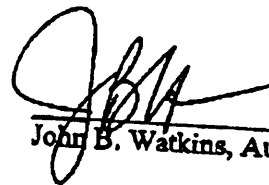
CERTIFICATION OF FORMATION  
OF  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "Limited Liability Company") is Valor Telecommunications CLEC of Tennessee, LLC.

SECOND: The address of the registered office and the name and address of the registered agent of the Limited Liability Company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Corporation Service Company, 1013 Centre Road, Wilmington, Delaware 19805.

Executed on June 16, 2000.



John B. Watkins, Authorized Person

# **EXHIBIT B**

## **AUTHORIZATION TO DO BUSINESS IN THE STATE OF TENNESSEE**

Secretary of State  
Corporations Section  
James K. Polk Building, Suite 1800  
Nashville, Tennessee 37243-0306

DATE: 06/26/00  
REQUEST NUMBER: 3937-0697  
TELEPHONE CONTACT: (615) 741-2286  
FILE DATE/TIME: 06/23/00 1016  
EFFECTIVE DATE/TIME: 06/23/00 1016  
CONTROL NUMBER: 0391552

TO:  
TSIO  
P.O. BOX 330007  
NASHVILLE, TN 37221

RE:  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC  
APPLICATION FOR CERTIFICATE OF AUTHORITY -  
LIMITED LIABILITY COMPANY

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED LIMITED LIABILITY COMPANY  
CERTIFICATE OF AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED  
ABOVE.

A LIMITED LIABILITY COMPANY ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF  
STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE  
LIMITED LIABILITY COMPANY'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN  
ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION. THIS OFFICE  
WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE LIMITED  
LIABILITY COMPANY AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING  
ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO  
MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE LIMITED LIABILITY  
COMPANY TO ADMINISTRATIVE REVOCATION OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE  
REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

-----  
FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -  
LIMITED LIABILITY COMPANY

ON DATE: 06/23/00

FROM:  
CSC/USC (1013 CENTRE RD)  
1013 CENTRE ROAD

WILMINGTON, DE 19805-0000

FEES  
RECEIVED: \$300.00 \$0.00  
TOTAL PAYMENT RECEIVED: \$300.00

RECEIPT NUMBER: 00002703474  
ACCOUNT NUMBER: 00250881



SS-4458

*Riley C. Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

State of Tennessee



Department of State  
Corporation Section  
18th Floor, James K. Polk Building  
Nashville, TN 37243-0306

APPLICATION FOR  
CERTIFICATE OF AUTHORITY

For Office Use Only

FILED

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR:  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: Valor Telecommunications  
CLEC of Tennessee, LLC

If different, the name under which the certificate of authority is to be obtained is:

*NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).*

2. The state or country under whose law it is formed is: Delaware

3. The date of its organization is: June 16, 2000 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

600 E. Las Colinas Blvd., #1900, Irving, TX 75039  
Street City/State Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

2908 Poston Avenue Nashville, Tennessee Davidson 37203  
Street City/State County Zip Code

The name of its registered agent at that office is: Corporation Service Company

6. The number of members at the date of filing One

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) \_\_\_\_\_

*NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.*

June 20, 2000

Signature Date

EVP/CFO

Signer's Capacity

Valor Telecommunications  
CLEC of Tennessee, LLC

Name of Limited Liability Company

John A. Butler  
Signature

John A. Butler

Name (typed or printed)

# **EXHIBIT C**

## **FACT SHEET OF VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**

## VALOR TELECOMMUNICATIONS CLEC TENNESSEE, LLC FACT SHEET

Valor Telecommunications, LLC (“VALOR” or “Company”) plans to launch a facilities-based CLEC business to provide voice and data services to business customers in Tier II and Tier III markets in the central and southwestern United States.

The Company will follow a “smart-build” strategy in its larger markets, whereby unbundled local loops will be leased from the ILEC to be connected to VALOR switches. Due to the decreasing cost of voice and data switching, the company may deploy new switching facilities in its larger CLEC markets. However, where economically feasible, Company will leverage the switching and transport facilities of its ILEC to provide services in its CLEC markets (often referred to as an “edge out” strategy). In smaller markets, Valor will use the Unbundled Network Elements Platform (“UNE-P”) until demonstrated customer demand justifies the deployment of switching facilities.

VALOR’s target markets are Tier II and Tier III markets where the incumbent is an RBOC and where few strong competitors exist. The Company will target business customers of all sizes in its markets. In larger markets, these customers will likely own a Key System or small PBX System. In smaller markets, customers will likely have fewer than 10 access lines.

Through its CLEC, Company intends to serve only business customers and plans to offer two product lines: (1) a full-suite of business voice and data products for customers in Valor’s larger markets, and (2) a feature-rich voice offering for customers in Valor’s smaller markets.

A typical network architecture for a facilities-based deployment of CLEC services will include the following components: (1) the deployment of next generation DLC’s or equipment providing traditional DLC and digital subscriber line access multiplexers (“DSLAM”) functionality, (2) interoffice facilities to carry traffic between the DLCs and a local point of presence, (3) an ATM switch for data traffic, (4) a voice switch deployed in a local market or facilities to carry voice traffic to the RLEC’s switch and (5) multiplexing equipment, routers and voice gateway equipment to transmit voice traffic over ATM

# **EXHIBIT D**

## **STATEMENT OF MANAGERIAL AND TECHNICAL QUALIFICATIONS**

**STATEMENT OF MANAGERIAL AND TECHNICAL QUALIFICATIONS  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**

Valor Telecommunications CLEC of Tennessee ("VALOR CLEC Tennessee") is managerially and technically qualified to operate as a provider of resold and facilities-based local telecommunications services in the State of Tennessee. Although it is a start-up company, VALOR CLEC Tennessee has access to significant capital and substantial technical and managerial expertise. The company's management team includes individuals with substantive experience in successfully developing and operating telecommunications businesses. This is evident by the fact that, between them, VALOR CLEC Tennessee's management has over sixty (60) years of experience in the telecommunications industry. VALOR CLEC Tennessee also has adequate internal technical experience to support its Tennessee operation, such as Mark Zits, VALOR CLEC Tennessee's Vice President of Customer Operations, and Bob Mathew, Vice President of Network Planning. This expertise in the telecommunications industry makes VALOR CLEC Tennessee management team well qualified to construct, operate and manage VALOR CLEC's local exchange network in Tennessee.

The following is a list of VALOR CLEC Tennessee's management team, which includes all of its officers as well as other executive personnel:

**Anne K. Bingaman  
Kenneth R. Cole  
John A. Butler**

**Michael A. Page**

**Mark S. Zitz**

**Bob Mathew  
Grant Rany  
Jerry Allen  
Paul Pickett**

**President and Chief Executive Officer  
Chief Operating Officer  
Executive Vice President and  
Chief Financial Officer  
Vice President, Business Development and  
Secretary  
Vice President, Customer Operations and  
Assistant Secretary  
Vice President, Network Planning  
Vice President Field Operations  
Vice President, Accounting and Finance  
Vice President, Sales and Marketing**

All of the above management team members are located at the Company's headquarters at 600 E. Las Colinas Boulevard, Suite 1900, Irving, Texas 75039 (972) 373-1000. Collectively, the members of VALOR CLEC Tennessee's management team have designed, managed and/or operated telecommunications facilities throughout the United States. As demonstrated by the following executive profiles, VALOR CLEC Tennessee has the adequate technical and managerial experience to develop and maintain successful local exchange operations in State Tennessee.

# **EXECUTIVE PROFILES**

## **VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**

**ANNE K. BINGAMAN**, *President and Chief Executive Officer*

A veteran of the telecommunications industry, Anne Bingaman most recently served as President of the Local Services Division of LCI International, Inc. (now Qwest Communications) where she built and completed the rollout of LCI's local telecommunications services in 31 major U.S. markets and grew LCI's local services business from 30 to over 120 employees in eighteen months. Previously, Ms. Bingaman served as Assistant Attorney General in charge of the Antitrust Division at the United States Department of Justice (DOJ) from June 1993 to October 1996. As Assistant Attorney General, Ms. Bingaman played a key role in the development of the Administration's telecommunications policy, including the landmark 1996 Telecommunications Act. Ms. Bingaman has also practiced law as a partner and head of the litigation department at the Washington, D.C. office of the Atlanta-based law firm of Powell, Goldstein, Frazer & Murphy and was a founder and partner in the law firm of Bingaman & Davenport in Santa Fe, New Mexico.

**KENNETH R. COLE**, *Chief Operating Officer*

Kenneth Cole has served as Chief Operating Officer of Valor Telecommunications since January 18, 2000. In this capacity, Mr. Cole oversees all of Valor's operations, as well as Valor's CLEC operations. For the past twenty-six years, Mr. Cole has held a variety of leadership positions at CenturyTel, Inc., the nation's seventh largest local phone service provider and ninth largest cellular provider. Most recently, before joining Valor Mr. Cole served as CenturyTel's Chief Operating Officer and Executive Vice President. In that position, Mr. Cole was responsible for all of CenturyTel's lines of business including the management of 1,200,000 local access lines in 21 states. As Chief Operating Officer, Mr. Cole was involved in all aspects of the operational, regulatory and financial performance of CenturyTel, a \$1.6 billion company in annual revenues

**JOHN A. BUTLER**, *Executive Vice President and Chief Financial Officer*

John Butler serves as Chief Financial Officer and is responsible for all financial operations for Valor Telecommunications as well as Valor's CLEC operations. Mr. Butler joined Valor from Commonwealth Telephone Enterprises (CTE) where he served as Executive Vice President and Chief Financial Officer since 1998. While at CTE, the nation's 9<sup>th</sup> largest independent telephone company, Mr. Butler was responsible for CTE's finance, accounting and treasury areas including capital markets, financial planning and a variety of other activities. Previously, Mr. Butler was a Director in the Corporate Finance arm of the Media and Communications Group at First Union Capital Markets in Charlotte, North Carolina. During his four years at First Union, Mr. Butler originated, structured, syndicated and closed a variety of capital markets transactions for long-

distance, local exchange, CLEC and wireless companies. Mr. Butler also held telecom corporate finance positions at CoBank and The First National Bank of Chicago.

**MICHAEL A. PAGE**, *Vice President, Business Development and Secretary*

Michael Page brings eight years of telecommunications experience to VALOR CLEC Tennessee with a focus on product development, product management and corporate development. From 1996-1998, Mr. Page was employed by LCI International, Inc. ("LCI") (now Qwest Communications) where he served as Senior Manager, General Business Markets and Senior Manager, Local Product Development of LCI's CLEC operations. While at LCI, Mr. Page had product management responsibility for the company's mid-market commercial telecommunications products. Mr. Page also managed the launch of local telecommunications service in eleven markets in the eastern U.S., and managed all product efforts for LCI's local services division.

**MARK S. ZITZ**, *Vice President, Customer Operations*

Mark Zitz brings over 16 years of telecommunications experience to VALOR CLEC Tennessee. He has extensive executive-level experience in the areas of customer service, installation and maintenance, engineering and financial operations. Previously, Mr. Zitz was Regional General Manager for commercial and consumer services at Telstra Corporation in Sydney, Australia, one of the largest local exchange carriers in Australia. He directed customer service, installation and maintenance, network design and construction, and central office switching for over 1 million customers in the central business district and surrounding suburbs of Sydney. His responsibilities also included network construction for the 2000 Summer Olympics Games.

**BOB MATHEW**, *Vice President, Network Planning*

Bob Mathew brings extensive high-level strategic planning experience in the areas of local access and high-bandwidth services to VALOR CLEC Tennessee. Previously, Mr. Mathew was Senior Manager of Access and Local Strategies and then a consultant for Qwest Communications (formerly LCI International, Inc.). While working for Qwest, Mr. Mathew developed business cases, including capitol requirements for local access networks in different metropolitan areas for both voice-grade and high-bandwidth services. He also identified and recommended local access strategies for different customers and product offerings and prepared detailed facilities cost plans to identify network synergies from the LCI/Qwest merger. Mr. Mathew also authored a primer on DSL technologies that was distributed to both state and federal regulators, and he co-authored company comments on proposed DSL regulations that were presented to the FCC. He also played a lead role in negotiation of wholesale agreements with CLECs.

**GRANT RANY**, *Vice President, Field Operations*

As Vice President of Field Operations, Grant Raney will direct all field operations in Tennessee, as well as other CLEC markets. Mr. Raney most recently served as a Vice President at Spectra Communications Group, a partnership of CenturyTel, Spectronics Corporation and Local

Exchange Carriers (L.E.C.) where he managed all aspects of the telephone company's operations, including converting all systems and processes after the company purchased 126,000 local access lines in 107 exchanges in Missouri from GTE. Previously, Mr. Raney held a variety of network development and plant operations positions at CenturyTel including creating and maintaining telephone operating policies and plant services practices, providing direction and technical support to field operations and overseeing the company's Network Operations Center.

**JERRY ALLEN**, *Vice President, Accounting and Finance*

Jerry Allen will serve as Vice President of Accounting and Finance. Mr. Allen will oversee all accounting and billing functions for Valor Telecommunications and the Valor CLEC operations. Mr. Allen joins Valor after 20 years with CenturyTel, where he served the posts of both Vice President of Billing and Revenue Assurance and Vice President of Finance and Planning. While at CenturyTel, Mr. Allen led the accounting group during CenturyTel's acquisition of PTI Corporation, which doubled the number of the company's access lines from 500,000 to 1.2 million. In addition, Mr. Allen was responsible for implementation of the company's year-to-year operating budgets and all interstate tariff filings.

**PAUL PICKETT**, *Vice President, Sales and Marketing*

Paul Pickett will service as the contact for all of Valor's CLEC operations, including customer operations as well as handling customer complains and service issues. Before coming to Valor, Mr. Pickett was the General Manager of Commonwealth Telephone Enterprises (CTE) for New and Emerging Markets where he led and directed a sales force with full profit and loss responsibility for \$13 million in revenue and \$40 million in capital. Mr. Pickett was also responsible for ensuring that performance and services requirements were met in new markets.

# **EXHIBIT E**

**PROJECTED FINANCIALS OF  
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC  
AND  
AFFIDAVIT OF ANNE K. BINGAMAN DEMONSTRATING FINANCIAL  
CAPABILITY TO PROVIDE LOCAL EXCHANGE SERVICES IN THE  
STATE OF TENNESSEE**

**[CONFIDENTIAL AND PROPRIETARY –FILED UNDER SEAL]**

# **EXHIBIT F**

## **SMALL AND MINORITY-OWNED TELECOMMUNICATIONS** **BUSINESS PARTICIPATION PLAN**

**VALOR TELLECOMMUNICATIONS CLEC OF TENNESSEE, LLC**  
**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS**  
**PARTICIPATION PLAN FOR ITS TENNESSEE BUSINESS OPERATIONS**

**PURPOSE:**

The purpose of the Small and Minority-Owned Telecommunications Business Participation Plan ("Plan") of VALOR CLEC Tennessee Communications, Inc. ("VALOR CLEC Tennessee" or "Company") is to identify small and minority-owned telecommunications businesses in Tennessee that are qualified to provide goods and services to VALOR CLEC Tennessee, and to promote awareness among these entities of the opportunities to develop business relationships with VALOR CLEC Tennessee in those areas in Tennessee in which VALOR CLEC Tennessee provides telecommunications services.

**POLICY STATEMENT:**

VALOR CLEC Tennessee acknowledges the importance of supporting the participation of small and minority-owned telecommunications businesses in the telecommunications industry in Tennessee and throughout the United States.

It is the policy of VALOR CLEC Tennessee, wherever possible, to provide small and minority-owned telecommunications businesses with an opportunity to compete for contracts and subcontracts to supply goods and services to VALOR CLEC Tennessee in those areas in which VALOR CLEC Tennessee is providing telecommunications services. To this end, VALOR CLEC Tennessee is committed to the identification and selection of qualified small and minority-owned telecommunications businesses that may wish to contract with VALOR CLEC Tennessee for purposes of supplying the Company's Tennessee operations with goods and services relating to the field of telecommunications. It also is the policy of VALOR CLEC Tennessee, where appropriate and feasible, to provide information on programs, if any, to provide technical assistance to small and minority-owned telecommunications businesses whenever and wherever available in Tennessee.

VALOR CLEC Tennessee acknowledges its obligation, under TENN. CODE ANN. § 65-5-212, to contribute its statutory share to the fund established by the Tennessee Department of Economic and Community Development for the purpose of supporting the Small and Minority-Owned Telecommunications Business Assistance Program ("Program") in Tennessee. This Program provides for loan guarantees, technical assistance and services, and consulting and educational services for small and minority-owned telecommunications businesses in Tennessee.

**DEFINITIONS:**

"*Act*" - Section 16 and 17 of Chapter 408 of the Public Acts of 1995.

"*VALOR CLEC Tennessee*" -- a Delaware corporation headquartered at 600 E. Las Colinas Boulevard, Suite 1900, Irving, Texas 75039, (972) 373-1000.

*“Minority-Owned Telecommunications Business”* – As defined in the Act and in TENN. CODE ANN. § 65-5-212, a telecommunications business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and the daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000), or as otherwise modified or amended in the future by the legislature for the State of Tennessee.

- a. *“Personally Manages”* in this context shall mean actively involved in the day-to-day management.
- b. *“Controls”* in this context shall mean exercising the power to make policy decisions.
- c. *“Who is impeded from normal entry”* in this context shall individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their qualities as individuals and as provided in the regulation implementing Section B(a) and 7(j) of the Small Business Act, as amended by the Business Opportunity Development Reform Act of 1988, and Business Opportunity Development Reform Act Technical Corrections Act, (15 U.S.C. 67(a) and 636(j)), as amended by Pub. L. 100-656 and Pub. L. 101-37.

*“Small Telecommunications Business”* - A telecommunications company with annual gross receipts of less than four million dollars (\$4,000,000), or as otherwise modified or amended in the future by the legislature for the State of Tennessee.

*“Subcontract”* - Any agreement (other than one involving an employer-employee relationship) entered into by VALOR CLEC Tennessee with a non-affiliated company or individual calling for the direct or indirect purchase of raw materials, components, supplies and services needed to support VALOR CLEC Tennessee's operations.

#### **IMPLEMENTATION OF PLAN:**

Where appropriate, VALOR CLEC Tennessee will invite bids, issue requests for proposals, or otherwise solicit offers from small and minority-owned telecommunications businesses to furnish specified goods or services to VALOR CLEC Tennessee in furtherance of its Tennessee operations, except in the case of emergencies, or in such cases where VALOR CLEC Tennessee is bound by contract to purchase goods and services from other sources.

### **ADMINISTRATION OF PLAN:**

In conducting its business affairs in Tennessee, VALOR CLEC Tennessee will appoint one of its employees as the Administrator of the Plan. The Administrator will be responsible for identifying and utilizing available resources for identifying small telecommunications and minority-owned telecommunications businesses interested in and qualified to furnish goods and services to Company in Tennessee. The Administrator also will be responsible for cultivating an awareness among such business entities with respect to potential opportunities to develop business relations with VALOR CLEC Tennessee.

As a newly-created company, VALOR CLEC Tennessee currently does not have in place any specific programs for offering technical assistance to outside sources. However, the Administrator will endeavor to serve as resource for technical assistance to small and minority-owned telecommunications business, and will refer such businesses to sources of information and technical assistance, internal and external, where feasible.

### **PLAN ADMINISTRATOR:**

The administration of this Plan will be under the direction of (hereinafter called the "Administrator"):

Paul Pickett  
Valor Telecommunications CLEC of Tennessee, LLC  
600 E. Las Colinas Boulevard  
Suite 1900  
Irving, Texas 75039  
Tel.: (972) 373-1005  
Fax: (972) 373-1050

The duties of the Administrator include the following:

1. To develop Company policies and procedures relating to the Plan.
2. To search for and develop opportunities to use qualified small and minority-owned telecommunications businesses to participate in and bid on contracts and subcontracts to supply goods and services to VALOR CLEC Tennessee by utilizing the following resources, where available:
  - a. The United States Department of Commerce, Office of Minority Business Data Center, the Small Business Administration and its Procurement Automated Source System ("PASS") and its Office of Minority Small Business and Capital Ownership Development; the Tennessee Chamber of Commerce; the Tennessee Department of Economic and Community Development; the National Minority Supplier Development Counsel; the National Association of Women Business Owners; the National Association of Minority Contractors.

- b. Local and national associations, and minority supplier development councils.
  - c. Trade fairs and industry meetings.
  - d. Advertisement in industry and local publications.
- 3. To establish and maintain an updated Plan and related documentation that are consistent with the current rules, orders and policies of the Tennessee Regulatory Authority regarding small and minority-owned telecommunications businesses, and that are in full compliance with TENN. CODE ANN. § 65-5-212.
- 4. To prepare and submit such information and documentation as may be required by the Tennessee Regulatory Authority.
- 5. To cooperate with the Tennessee Regulatory Authority and with other agencies of the State of Tennessee to find and utilize, where possible, the qualified business entities defined herein.
- 6. To support activities for assisting potential buyers in locating and qualifying the types of business concerns identified herein.
- 9. To cooperate in any authorized surveys by the Tennessee Regulatory Authority.
- 10. To provide information and educational activities to VALOR CLEC Tennessee personnel and to train such persons to seek out, encourage, and promote the use of small and minority-owned telecommunications businesses.

**COMPLIANCE REPORTS:**

VALOR CLEC Tennessee will submit such reports as may be required for use in connection with subcontracting plans by the Tennessee Regulatory Authority and/or the State of Tennessee. VALOR CLEC Tennessee will cooperate to the fullest extent possible with all reasonable and appropriate surveys or studies required by the contracting agency for purposes of determining compliance with the State's small and minority-owned telecommunications business participation program. However, VALOR CLEC Tennessee reserves the right to designate any documents, reports, surveys, studies or information submitted for this purpose as "confidential" or "proprietary."

**RECORD MAINTENANCE:**

VALOR CLEC Tennessee will maintain records relating to its Small and Minority-Owned Telecommunications Business Participation Plan for purposes of evidencing the Company's implementation of this policy, for use by VALOR CLEC Tennessee in evaluating the effectiveness and in achieving the goals of its Plan, and for the Company's use in updating the Plan on an annual basis with the Tennessee Regulatory Authority, or as otherwise required.

# **EXHIBIT G**

## **INTRALATA TOLL DIALING PARITY PLAN**

**INTRALATA TOLL DIALING PARITY PLAN OF**  
**VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**

**Valor Telecommunications CLEC of Tennessee, LLC** (“VALOR CLEC Tennessee”) hereby respectfully files this IntraLata Toll Dialing Parity Plan (“Plan”) in conformity with the Tennessee Regulatory Authority’s (“TRA’s”) *Order Approving the IntraLATA Toll Dialing Parity Implementation Plan*, Docket No. 99-00346 (Oct. 1, 1999), and the Federal Communications Commission’s (“FCC”) Order in *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate IntraLATA Dialing Parity or, in the Alternative, Various Other Relief*, CC Docket No. 096-98, NSD File No. 98-121 (rel. Mar. 23, 1999) (“Dialing Parity Implementation Order”). This Plan sets forth VALOR CLEC Tennessee’s proposal for providing intraLATA parity within the State of Tennessee for customers subscribing to VALOR CLEC Tennessee’s services.

**APPLICABILITY:** This plan for providing dialing parity is intended to apply to all dial-tone lines provisioned by VALOR CLEC Tennessee in the State of Tennessee.

**AVAILABILITY:** VALOR CLEC Tennessee will provide full 2-PIC dialing parity in all exchanges in each LATA in which VALOR CLEC Tennessee provides services in Tennessee.

**IMPLEMENTATION DATE:** Following the TRA’s approval of its Application for a Certificate of Public Convenience and Necessity to provide competing local and interexchange

telecommunications services in the State of Tennessee (“Application”), to which this Plan is appended as Exhibit G, VALOR CLEC Tennessee will implement this Plan so that it will be in place prior to the time that VALOR CLEC Tennessee begins the provision of service to Customers in Tennessee.

**METHODOLOGY:** VALOR CLEC Tennessee will provide full 2-PIC (intraLATA and interLATA toll) dialing parity, allowing VALOR CLEC Tennessee’s new and existing customers to pre-subscribe to one carrier for all interLATA calls, and to the same or another carrier for all intraLATA toll calls. A maximum of one interLATA interexchange carrier (“IXC”) and one intraLATA IXC may be selected.

**TECHNICAL IMPLEMENTATION:** VALOR CLEC Tennessee will offer dialing parity for all toll calls. Each Customer requesting local exchange service from VALOR CLEC Tennessee will be given the opportunity to affirmatively select a presubscribed carrier of the Customer’s own choosing for intraLATA toll and interexchange toll calls. This will allow a Customer to presubscribe to its preferred carrier for intraLATA toll calls, and to the same or a different carrier for interLATA toll calls, be it VALOR CLEC Tennessee or another preferred carrier.

**BUSINESS PRACTICES:** VALOR CLEC Tennessee will comply fully with the TRA’s and the FCC’s rules and policies for initiating, submitting, processing and verifying Customer PIC selections. VALOR CLEC Tennessee will ensure that all Customers are aware that they have a choice of intraLATA, as well as interLATA, toll carriers. After each Customer is given an opportunity to affirmatively select an intraLATA and interLATA toll carrier, the Customer will be able to verify its selection, at any time, by dialing a toll-free number.

VALOR CLEC Tennessee will respond to Customer requests for information about other intraLATA carriers in a competitively-neutral fashion. To this end, VALOR CLEC Tennessee will maintain a list of available toll carriers and keep it updated, and will process a customer's PIC change to a toll carrier other than VALOR CLEC Tennessee in the same fashion and in the same time frames as a request to presubscribe to itself. VALOR CLEC Tennessee will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC selections.

In response to each request for VALOR CLEC Tennessee's services, a VALOR CLEC Tennessee sales engineer or third party agent will inform the Customer that VALOR CLEC Tennessee will presubscribe the Customer's toll service to both the intraLATA and the interLATA toll carrier(s) of the Customer's choice. VALOR CLEC Tennessee will ensure that *all* Customers have signed contracts with the Company, and that separate Letters of Authorization ("LOAs") are routinely obtained where Customers of other carriers choose to purchase VALOR CLEC Tennessee's local and long distance services. It is the policy of VALOR CLEC Tennessee to have both the channel partner and a Company sales engineer present at the Customer's premises for the purpose of informing the customer, in person, of the Company's specific service offerings, as well as to address any questions that the Customer may have, and to install the Company's Customer Premises Equipment ("CPE") for the Customer.

When a Customer signs a contract for service with VALOR CLEC Tennessee, the Customer is given the opportunity to affirmatively sign a letter of authorization with three (3) *separate* lines of service authorization: (1) the first, to authorize its local telephone service to be switched to VALOR CLEC Tennessee; and/or (2) the second, to authorize its intraLATA toll telephone service to be switched to VALOR CLEC Tennessee or another preferred carrier; and

(3) the third, to authorize its interLATA toll service to be switched to VALOR CLEC Tennessee or another preferred carrier. In this way, the Customer knows that a choice can be made among carriers. The channel partner is instructed to accept signatures only from those individuals having the appropriate authority to bind the Customer to the contract.

The Company believes that its unique policies of ensuring that authorized Customers *personally* sign up for the Company's service in the presence of a qualified agent able to answer their questions regarding the contract or authorizations or the service expected to be provided will successfully preempt the impermissible switching of a Customer's telecommunications services, and will comply fully with both state and federal dialing parity regulations.

**NETWORK INFORMATION:** All originating intraLATA traffic initially will be routed via BellSouth's end office switch/access tandem. Through switch translations, VALOR CLEC Tennessee will hand-off intraLATA toll traffic to BellSouth for termination.

**DIALING PLAN:** The following matrix outlines the proposed routing of calls by VALOR CLEC

Tennessee:

0	VALOR CLEC Tennessee local and Toll Operator Service.
1+10 digits	Direct-dial to presubscribed intraLATA Toll Provider or interLATA Toll Provider (depending on 10-digit number dialed).
0+10 digits	Dial to presubscribed intraLATA Toll Provider or interLATA Toll Provider Operator Service (depending on 10 digit number dialed).
1010xxx +1+10 digits	Dial-around presubscribed intraLATA or interLATA Toll Provider to direct-dial to alternate Toll Provider (identified by code used in xxx portion of dialing request).

### **PRESUBSCRIPTION INFORMATION**

**GENERAL APPLICATION:** VALOR CLEC Tennessee will neither initiate nor accept presubscription requests except in accordance with the rules prescribed by the FCC in 47 C.F.R. §§ 64.1100, 64.1150 and 64.1160, and any additional rules enacted by the TRA.

**ASSIGNMENT OF NO-PIC:** If a new Customer or Customer ordering an additional line does not select a service package that includes VALOR CLEC Tennessee's long distance service, the Customer's long distance service will not default to VALOR CLEC Tennessee or to any other carrier. Instead, under such circumstances, the Customer will be assigned a "NO-PIC" and will be required to make use of the services of dial-around carriers for its long distance needs (*i.e.* the Customer will have to dial an access code to make intraLATA toll calls).

**FREE PRESUBSCRIPTION SELECTION PERIOD:** The Company has no existing customers at this time. New Customers or Customers ordering a second line from VALOR CLEC Tennessee will

have an opportunity to select an intraLATA toll carrier at the time their service order is placed. If a Customer cannot decide upon an intraLATA toll carrier at this time, they will be assigned a NO-PIC designation, and will have thirty (30) days from the date they order local exchange service from VALOR CLEC Tennessee to select an intraLATA toll carrier. Customers may make their selection either by contacting the Company or the intraLATA toll carrier directly. The Customer's initial free PIC selection must be made within the thirty (30) days of subscribing to the Company's service. Customers may make only one (1) free selection during this period.

**PIC CHANGE CHARGE:** After the end of the grace period, there will be a \$5.00 PIC-change charge for each PIC change requested. This charge will be waived for one time only during the initial grace period referenced herein.

**PIC FREEZE OPTION:** At this time, a PIC-freeze option is not available to Customers of VALOR CLEC Tennessee.

**MARKETING OF PIC FREEZES:** VALOR CLEC Tennessee will not market intraLATA PIC freezes within the initial thirty (30) day grace period.

**PIC FREEZE REMOVAL:** As stated herein, VALOR CLEC Tennessee will not offer a PIC-freeze option at this time. In the event that VALOR CLEC Tennessee chooses to offer a PIC-freeze in the future, it will comply fully with the FCC's procedures for lifting PIC-freezes, as set forth in 47 C.F.R. §64.1190(e), and will accept three-way calls with Customers and submitting carriers to remove PIC-freezes in situations where a Customer's prescribed intraLATA toll carrier has been frozen. Where a Customer has not frozen its intraLATA PIC choice, VALOR CLEC Tennessee will accept changes initiated by any method approved by the FCC and/or the TRA.

### **CARRIER INFORMATION**

Competing interexchange carriers ("IXCs") will have the option of offering intraLATA service only or both intraLATA and interLATA service to VALOR CLEC Tennessee's customers. Such carriers will have the option of participating in any of VALOR CLEC Tennessee's local calling areas. VALOR CLEC Tennessee follows industry standard procedures for the transport of long distance traffic, both intraLATA and interLATA, via the carrier notification process. To the extent that an interexchange carrier ("IXC") requires a contract for the transport of intraLATA traffic, VALOR CLEC Tennessee will explore entering into such a contract. VALOR CLEC Tennessee will not participate in billing disputes between alternative competing IXCs or intraLATA toll carriers and the customers of such carriers.

**COST RECOVERY PLAN:** At this point, and given the fact that VALOR CLEC Tennessee is not yet operational outside of the State of Texas (where it has only been providing telecommunications services on an interim basis since June, 1999), the Company has no cost recovery plan in place. All dialing parity costs eventually recovered by VALOR CLEC Tennessee will be competitively-neutral, in accordance with the guiding principles set forth in the FCC's *Dialing Parity Implementation Order*, and will conform to any specific cost-requirements or allocators for dialing parity that may established by the T.R.A.

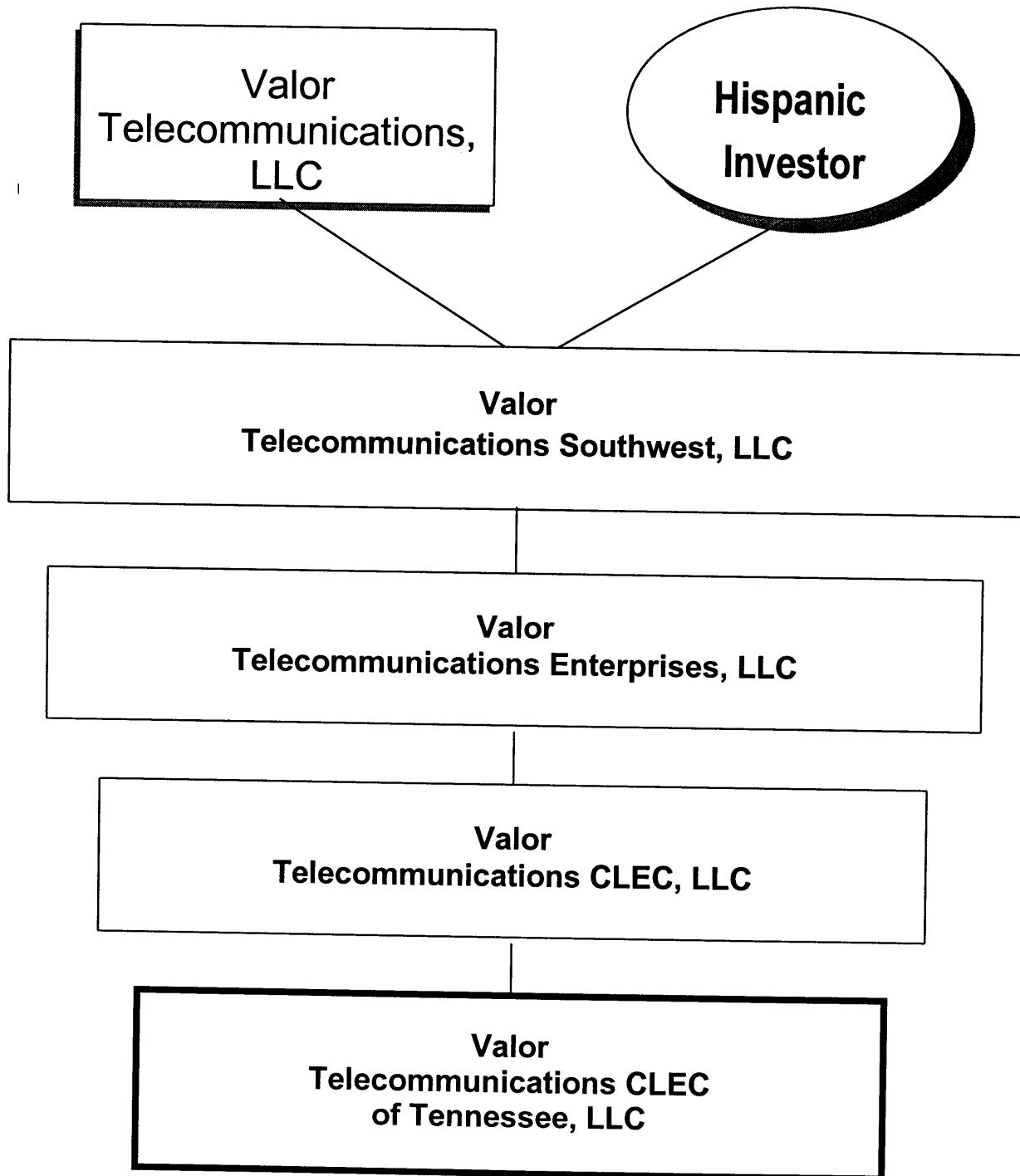
**STATEMENT OF COMPLIANCE:** VALOR CLEC Tennessee will comply fully with all rules of the FCC and the TRA regarding intraLATA toll dialing parity and slamming. VALOR CLEC Tennessee in no way will restrict or interfere with the ability of its subscribers to access alternative providers of intraLATA and interLATA toll services. VALOR CLEC Tennessee's intraLATA toll dialing parity policies will be kept up-to-date.

**CONCLUSION:** VALOR CLEC Tennessee respectfully requests that the TRA approve its proposed plan for providing intraLATA toll dialing parity in the State of Tennessee.

# **EXHIBIT H**

## **CORPORATE ORGANIZATION**

# CORPORATE STRUCTURE



# **EXHIBIT I**

## **VALOR CLEC TENNESSEE NUMBERING PLAN**

**Numbering Resources Utilization Plan  
Valor Telecommunications CLEC of Tennessee, LLC**

1. What is your company's expected demand for NXX's per NPA within a year of approval of your application.

**In its initial year of operation, Valor Telecommunications CLEC of Tennessee, LLC ("Applicant") intends to provide service using the combination of unbundled network elements known as the Unbundled Network Element Platform, or "UNE-P." In providing UNE-P-based service, Applicant's end-user customers will retain their existing telephone numbers. As such, Applicant initially will not require its own NXXs in NPAs served in the State of Tennessee.**

2. How many NXX's do you estimate that you will request from NANPA when you establish your service footprint.

**Upon deploying its own facilities, Applicant estimates that it will request from NANPA one NXX.**

3. When and in what NPA do you expect to establish your service footprint?

**Applicant expects to establish its service footprint during the third quarter of 2001 in the Memphis NPA.**

4. Will the company sequentially assign telephone numbers within NXX's

**While sequential number assignment is a goal, number assignments will be based on Customer requirements.**

5. What measures does the company intent to conserve Tennessee numbering resources?

**In order to conserve numbering resources in Tennessee, Valor will port numbers when possible and utilize to the fullest extent all NXX(s) initially assigned to Valor prior to requesting new NXX's. In addition, Valor will comply with any conservation measures imposed by the TRA.**

6. When ordering new NXX's for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

**80%-90%**